

Pinnacle Library Cooperative

20670 City Center Blvd. | Crest Hill, IL | www.pinnaclelibraries.org

Audit Services Request for Proposals

The Pinnacle Library Cooperative (PLC) will accept proposals from Certified Public Accounting firms to provide annual audit services. Visit <http://www.pinnaclelibraries.org/open-rfps> to view this document online.

Description of the Pinnacle Library Cooperative

The Pinnacle Library Cooperative is an Illinois Intergovernmental Instrumentality founded in 2012. The cooperative is made up of six public libraries in Will and Cook counties that share a library services platform. It is governed by the Pinnacle Governing Board – an administrative body that includes library directors from all member library districts and managed by a Cooperative’s staff person.

PLC has annual operating expenditures of approximately \$750,000. The primary source of funding for the cooperative is from annual dues paid for by member libraries. PLC’s fiscal year runs from July 1 through June 30, with an expectation to file audit within 6 months of the fiscal year end.

Day-to-day financial and accounting services are performed by performed by PLC staff and the Governing Board Treasurer. Financial records are maintained electronically via QuickBooks Online and physically in Pinnacle’s Headquarters in Crest Hill, IL. The documents of a fiscal year are typically contained in a single 3” 3-ring binder.

Service to Be Performed

Your proposal is expected to cover the completion of the Cooperative’s annual financial statement in compliance with generally accepted auditing standards as established by the American Institute of Certified Public Accountants as applicable to governmental units.

In addition to the above services, the proposal is expected to cover a management letter containing comments and recommendations with respect to accounting and administrative controls and efficiency. The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by general accepted auditing standards. Also, it should cover the firm’s availability throughout the year to provide advice and guidance on financial accounting and reporting issues.

Term of Engagement

It is the intent of the Governing Board to continue its relationship with the auditor for multiple years and is open to proposals for multi-year terms.

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Termination

This Agreement may be terminated or suspended by the Cooperative, in whole or in part, for convenience and without cause upon five (5) days written notice. In the event of such termination, the auditor will be paid for all approved Services rendered to the date of termination, and upon such payment, all obligations of the Cooperative to the Auditor under this Agreement shall cease. Furthermore, in the event of such termination, the auditor shall promptly deliver to the Cooperative all Instruments of Service generated in the performance of its Services under this Agreement up to and including the date of termination.

The Cooperative shall have the right to terminate this Agreement immediately and without notice upon the auditor's default of its obligations hereunder or its violation of any federal or state laws, or local regulations or ordinances. In the event of such termination, payment to the auditor of any sums earned to the date of such termination shall be in full satisfaction of any and all claims by the Auditor against the Cooperative under this Agreement, and acceptance of sums paid by the Auditor shall constitute a waiver of any and all claims that may be asserted by the Auditor against the Cooperative. Furthermore, in the event of such termination, the Auditor shall promptly deliver to the Cooperative all Instruments of Service generated in the performance of its Services under this Agreement up to and including the date of termination.

Relationship with Current Auditor

These services have been provided by Brian Zabel and Associates since 2013. Brian Zabel and Associates has discontinued their government audit services. In preparing your proposal, be advised that management will give permission to contact the current auditor and for the current auditor to communicate with the firm selected.

Other Information

No conflict of interest

The Auditor represents and certifies that, to the best of its knowledge, (1) no Cooperative employee or agent is interested in the business of the Auditor or this Agreement; (2) as of the date of this Agreement neither the Auditor nor any person employed or associated with the Auditor has any interest that would conflict in any manner or degree with the performance of the obligations under this Agreement; and (3) neither the Auditor nor any person employed by or associated with the Auditor shall at any time during the term of this Agreement obtain or acquire any interest that would conflict in any manner or degree with the performance of the obligations under this Agreement.

Non-discrimination

In all hiring or employment by the Auditor pursuant to this Agreement, there shall be no discrimination against any employee or applicant for employment because of age, race, gender, gender identity, creed, national origin, marital status, sexual orientation, religion or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. The Auditor agrees that no person shall be denied or subjected to discrimination in receipt of the benefit of any services or activities made possible by, or resulting from, this Agreement.

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Sexual Harassment Policy

The Auditor certifies that it has a written Sexual Harassment Policy in full compliance with 775 ILCS 5/2-105(A)(4).

Working Papers

The working papers shall be retained for at least five years. The working papers will be available for examination by authorized representatives of the State of Illinois, and, if required, the cognizant federal audit agency and the General Accounting Office.

Government Accounting Standards Board

It is expected that your firm will have a sufficient number of experienced and adequate staff available to meet the pronouncements/statements that have been issued by GASB. The Cooperative expects the successful proposer to review all supplemental schedules and to advise, as necessary, on related accounting and reporting concerns.

Contract Specifications

Any claim arising out of services rendered pursuant to this agreement shall be resolved in accordance with the laws of Illinois and in the courts with jurisdiction over Will County.

The Cooperative will not indemnify the firm for any liability directly or indirectly arising from the firm's performance of the professional services described in this agreement. The Cooperative will not grant any limitation of liability to the firm for claims directly or indirectly arising from the firm's performance of the professional services described in this agreement.

Your Response to This Request for Proposal

In responding to this request, we request the following information:

1. Detail your firm's ownership, size, structure, and experience in providing auditing services to public libraries, as well as other government agencies.
2. Provide information on whether you provide services to any related industry associations or groups.
3. Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years.
4. Identify the five largest clients your firm (or office) has lost in the past three years and the reasons. Also, discuss, in instances where loss of the client was due to an unresolved auditing or accounting matter, the process of attempting to resolve the issue(s).
5. Identify the coverage amount of your professional liability insurance and the name of the insurer. Indicate if your firm has been involved in any lawsuit for similar work in the last five years arising from your performance of audit services.

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6. Identify the members of your firm by name and title who will be assigned to our job if you are successful in your bid, and provide biographies. Indicate any complaints against them that have been leveled by the state board of accountancy or other regulatory authority, if any. Indicate any corrective actions that have been taken by the firm with respect to these people.
7. Describe how your firm will approach the audit of the Cooperative, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also, discuss the firm's use of technology in the audit. Finally, discuss the communication process used by the firm to discuss issues with the Governing Board and Pinnacle staff.
8. Set forth your fee proposal for the 2023 audit, with whatever guarantees can be given regarding increases in future years. You may also additionally propose fees for three- or five-year terms of engagement.
9. Furnish standard billing rates for classes of professional personnel for each of the last three years.
10. Provide the names and contact information for at least three other, similarly sized library systems or public library clients of the supervising member of your team that will be assigned to our organization for reference purposes.

Timeframe

Please provide a timeline that addresses the following activities and any others that are appropriate.

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| 1. Planning and interim testing | [Date] |
| 2. Meet with staff to discuss the audit plan | [Date] |
| 3. Receive a list of client-provided documents and requests | [Date] |
| 4. Begin fieldwork (approximately XX weeks) | [Date] |
| 5. Financial statement draft for management review | [Date] |
| 6. Issue final audit report (XX bound and electronic copies) | [Date] |

Submission Information

Questions must be submitted to mhammermeister@pinnaclelibraries.org no later than 3 p.m. on Friday, February 17, 2023. All questions received by the deadline will be posted with an answer to www.pinnaclelibraries.org by 3 p.m. on Friday, February 24, 2023

All proposals must be submitted via email and are due no later than 3 p.m. on Friday, March 10, 2023.

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Proposals must be emailed to info@pinnaclelibraries.org with a subject line of “PLC Audit Services Proposals 2023”

Late proposals shall be rejected and returned to the proposer. This deadline is absolute and proposals received after the due date and time shall not be considered. Proposers must select a method of delivery that ensures proposals will be delivered to the correct location by the due date and time.

Proposals must include all costs. Proposals must be held firm for 60 days. Proposal documents, information, and answers to questions may be obtained by contacting mhammermeister@pinnaclelibraries.org.

Proposals will be opened on Monday, March 13, 2023 at 10:30 a.m. at the White Oak Library in Crest Hill, IL.

The award date will be Friday, March 17, 2023 at the Pinnacle Governing Board Meeting.

The Pinnacle Library Cooperative reserves the right to reject all proposals or to waive any or all informalities and technicalities in any proposals in its best interest.

The successful respondent(s) will be expected to enter into a contract with the Cooperative pursuant to the documents that include the RFP, the vendor’s proposal, the summary of negotiation, and any and all other additional materials submitted by the vendor. The only official answer or position of the Cooperative will be the one stated in writing.

Vendors shall note that a response to this RFP does not commit PLC to any course of action resulting from its receipt. This document shall not be construed as a contract between the parties and no communication shall create such a contract with respect to the products or services specified in this RFP. PLC will select the vendor based upon the best overall solution and value, and is not obligated to select the lowest price proposal. Additionally, this RFP does not commit PLC to any specific course of action. PLC reserves the right to not select any vendor or purchase any goods and services resulting from this RFP.

All proposals submitted to the Cooperative will become the property of the Cooperative and shall not be returned following the selection process. Firms submitting a proposal shall bear all costs of preparing and delivering the proposal and shall not be reimbursed therefor by the Cooperative.